

Registration number 4163807

# Mercator London Limited

Unaudited Abbreviated Accounts  
for the Year Ended 31 March 2007

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**Mercator London Limited**  
**Abbreviated Balance Sheet as at 31 March 2007**

		31 March 2007		31 March 2006	
	Note	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	2		15,278		31,945
Tangible assets	2		<u>54,029</u>		<u>67,496</u>
			69,307		99,441
<b>Current assets</b>					
Stocks		33,914		50,412	
Debtors		350,048		143,006	
Cash at bank and in hand		<u>1,108</u>		<u>48,015</u>	
		385,070		241,433	
<b>Creditors. Amounts falling due within one year</b>		<u>(259,168)</u>		<u>(138,043)</u>	
<b>Net current assets</b>			<u>125,902</u>		<u>103,390</u>
<b>Total assets less current liabilities</b>			195,209		202,831
<b>Creditors: Amounts falling due after more than one year</b>	3		<u>(52,584)</u>		<u>(62,584)</u>
<b>Net assets</b>			<u>142,625</u>		<u>140,247</u>
<b>Capital and reserves</b>					
Called up share capital	4		8		8
Share premium reserve			149,994		149,994
Profit and loss reserve			<u>(7,377)</u>		<u>(9,755)</u>
<b>Equity shareholders' funds</b>			<u>142,625</u>		<u>140,247</u>

For the financial year ended 31 March 2007, the company was entitled to exemption from audit under section 249A(1) of the Companies Act 1985, and no notice has been deposited under section 249B(2) requesting an audit. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirements of section 226 and which otherwise comply with the Companies Act 1985, so far as applicable to the company.

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 25-1-8 and signed on its behalf by

  
Mr M/C Hutchison  
Director

## **Mercator London Limited**

### **Notes to the abbreviated accounts for the Year Ended 31 March 2007**

#### **1 Accounting policies**

##### **Basis of preparation**

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

##### **Cash flow statement**

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement

##### **Going concern**

These financial statements have been prepared on a going concern basis

##### **Turnover**

Turnover represents the invoiced value of sales of goods, net of value added tax

##### **Amortisation**

Amortisation is provided on intangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Goodwill	33% on straight line basis
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##### **Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Plant and machinery	25% reducing balance basis
Fixtures and fittings	50% reducing balance basis
Land and buildings - Leasehold	over the period of the lease

##### **Goodwill**

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable

##### **Government grants**

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate

## Mercator London Limited

### Notes to the abbreviated accounts for the Year Ended 31 March 2007

*continued*

#### Deferred taxation

Deferred tax is provided in full on timing differences which represent a liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income or expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### Foreign currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account.

#### Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

## 2 Fixed assets

	Intangible assets £	Tangible assets £	Total £
<b>Cost</b>			
As at 1 April 2006	50,000	105,342	155,342
Additions	-	25,802	25,802
Disposals	-	(15,195)	(15,195)
As at 31 March 2007	<u>50,000</u>	<u>115,949</u>	<u>165,949</u>
<b>Depreciation</b>			
As at 1 April 2006	18,056	37,847	55,903
Eliminated on disposal	-	(6,193)	(6,193)
Charge for the year	16,666	30,266	46,932
As at 31 March 2007	<u>34,722</u>	<u>61,920</u>	<u>96,642</u>
<b>Net book value</b>			
As at 31 March 2007	<u>15,278</u>	<u>54,029</u>	<u>69,307</u>
As at 31 March 2006	<u>31,944</u>	<u>67,495</u>	<u>99,439</u>

## **Mercator London Limited**

### **Notes to the abbreviated accounts for the Year Ended 31 March 2007**

*continued*

#### **3 Creditors**

Included in the creditors are the following amounts due after more than 5 years

	<b>31 March 2007</b>	<b>31 March 2006</b>
	<b>£</b>	<b>£</b>
After more than five years by instalments	<u>12,584</u>	<u>22,584</u>

Included within creditors is secured creditors of £156,658 (2006 - £72,584)

#### **4 Share capital**

	<b>31 March 2007</b>	<b>31 March 2006</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
<b>Equity</b>		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
<b>Allotted, called up and fully paid</b>		
<b>Equity</b>		
8 Ordinary shares of £1 each	<u>8</u>	<u>8</u>

## Mercator London Limited

### Notes to the abbreviated accounts for the Year Ended 31 March 2007

*continued*

#### 5 Capital commitments

Expenditure contracted for but not provided in the financial statements

	Year ended 31 March 2007 £	1 March 2005 to 31 March 2006 £
Leasehold improvements	21,721	
Plant & machinery	45,631	
	<u>67,352</u>	<u>-</u>

#### 6 Operating lease commitments

As at 31 March 2007 the company had annual commitments under non-cancellable operating leases as follows

	31 March 2007 £	31 March 2006 £
Within one year	-	28,908
Between two and five years	73,060	-
	<u>73,060</u>	<u>28,908</u>

#### 7 Related parties

##### Controlling entity

Murdoch and Company, a Bermuda partnership, was the registered owner of 75% of the share capital of the company which it holds on behalf of family trusts of Mark Hutchison at the balance sheet date. On 22 January 2008 the Company became a wholly owned subsidiary of Peninsula Coffee Limited, a company registered in Hong Kong, of which Murdoch and Company, referred to above, are the registered owner of 97% of the share capital which it holds on behalf of family trusts of Mark Hutchison.

##### Related party transactions

During the year the company made purchases of £268,420 from Mercator Manufacturing Limited, a company incorporated in Hong Kong. At the year end the company was owed £6,396 by Mercator Manufacturing Limited. Mercator Manufacturing Limited is controlled by family trusts of Mark Hutchison.